


# Hardship & Financial Assistance Policy

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## **1 OUTCOMES**

- 1.1 To provide financial assistance to ratepayers experiencing genuine financial hardship and to provide a decision-making framework for assessment of hardship applications.

## **2 POLICY**

- 2.1 Council acknowledges there are cases of genuine financial hardship requiring respect and compassion in special circumstances.
- 2.1.1 A ratepayer may be eligible for consideration for hardship assistance in the payment of overdue rates, annual charges, interest, and fees, where:
- a) the person is unable to pay amounts when due for reasons beyond the person's control; or
  - b) payment when due would cause the person hardship.
- 2.2 This policy establishes the circumstances for the assessment of hardship or payment assistance applications applying the principles of social justice, fairness, integrity, confidentiality, and compliance with relevant statutory requirements.
- 2.3 Privacy will be maintained in accordance with the NSW Privacy and Personal Information Protection Act 1998. Hardship applications will only be considered in Closed Council.

## **3 SCOPE OF THE POLICY**

- 3.1 This policy applies to all applications for waiving, deferment, and alternative payment arrangements, or writing off of rates, fees, annual charges, undetectable water leaks and interest accrued on such debts.

## **4 DEFINITIONS**

- 4.1 Hardship – Any situation where an individual is having difficulty paying legally owed debt. This can result from life changes (for example, because of illness, unemployment or changed financial circumstances) restricting the short-term capacity to pay.
- 4.2 Undetectable Leak –where water has leaked from pipeline breaks or connections in the ground, under slabs or within walls and the leak is not clearly visible to the owner. It does not include leakage from an appliance, water pump, hot water system, irrigation system or rainwater tank.

## **5 LEGISLATIVE OBLIGATIONS AND/OR RELEVANT STANDARDS**

- 5.1 The Local Government Act 1993 (the Act), especially sections 356, 564, 566, 567, 568, 570, 575, 577, 582, 585, 595 to 601, 610
- 5.2 The Local Government (General) Regulation 2021 sections 130, 131, 133, 144 and 213
- 5.3 Office of Local Government – Debt Management and Hardship Guidelines 2018
- 5.4 Valuation of Land Act 1916
- 5.5 NSW Privacy and Personal Information Protection Act 1998

## 6 CONTENT

### 6.1 Hardship Assistance

- 6.1.1 Council will assess hardship applications on the merit of the individual case against the eligibility conditions within this policy. Council will consider all of the options for financial hardship assistance allowed by the Act:
- a) Periodic payment agreements for overdue rates and charges [p 6.3].
  - b) Writing off or reducing interest accrued on rates or charges for a set period of time [p 6.4].
  - c) Waiving, reducing or deferring the increase in rates payable because of substantial hardship resulting from a general land revaluation [p 6.5].
  - d) Extending pensioner rebates on rates and annual charges [p 6.6]
  - e) Postponing rates for properties that are used differently from how they are zoned [p 6.7].
- 6.1.2 Council will extend the standard hardship conditions for community-members suffering under the COVID-19 pandemic lockdown and for drought and bushfire affected properties.
- 6.1.3 Council will assess applications for the waiver or reduction of user charges and fees where the circumstances fall within one of the following categories:
- i) Undetected water leak [Section 6.8]
  - ii) Water usage allowance for medical conditions [Section 6.10]
  - iii) Emergency pet boarding at the animal management facility [Section 6.11]

### 6.2 Hardship Application Decisions and Appeals

- 6.2.1 The considerations set out in paragraph 6.2 generally apply to all hardship applications unless different provisions for specific hardship situations are stated later in this policy.
- 6.2.2 Applications for hardship must be made via approved form, available on Council's website.
- a) The applicant must be the person who is liable for the rates, annual charges, fees or interest.
  - b) The property to which the hardship application applies must be the principal place of residence of the applicant/s.
  - c) The property for which the hardship applies must not be a rental property or otherwise income-producing.
  - d) The property for which the hardship applies must not be categorised as Business or Mining for rating purposes.
- 6.2.3 Supporting documentation should be lodged with the application to assist Council to assess eligibility and make a determination. The type of documentary evidence lodged with a hardship application will depend on the circumstances of the claim, and may include:
- a) Statement of reasons why the person was unable to pay the rates and charges when they became due and payable; and
  - b) Letter from a medical professional confirming medical conditions causing hardship;
  - c) Letter from a recognised financial counsellor or financial advisor confirming financial hardship and containing the following:
    - i) Copy of recent bank statements (previous 3 months) for all accounts; and
    - ii) Details of assets, income, and expenditure;

- d) Copy of Pensioner Concession Card;
  - e) Copies of letters from other utilities or mortgage provider confirming financial hardship assistance agreement with them;
- 6.2.4 Council may require the provision of any additional information which, in its opinion, it requires to make an assessment of the application or to assist a later review of an existing hardship arrangement.
- 6.2.5 Council may waive the application documents if ratepayers enter a maximum 12-month payment arrangement.
- 6.2.6 Council will not provide any financial advice and recommends the following external support services and financial counsellors to assist applicants.
- a) Financial Advice, including financial counsellor search function - [www.moneysmart.gov.au/managing-your-money-managing-debts](http://www.moneysmart.gov.au/managing-your-money-managing-debts)
  - b) Legal Aid service (Legal Advisers) – [www.legalaid.nsw.gov.au/get-legal-help/find-a-service](http://www.legalaid.nsw.gov.au/get-legal-help/find-a-service)
  - c) Community Legal Centres in different local government areas – [www.clcnsw.org.au/find\\_legal\\_help](http://www.clcnsw.org.au/find_legal_help)
  - d) Government funded Financial Rights Legal Centre who can be contacted at either 1800 007 007 or at [www.financialrights.org.au](http://www.financialrights.org.au)
- 6.2.7 Financial hardship cases will remain strictly confidential. Personal information collected as a consequence of this policy will only be used for the purpose of assessing eligibility under the policy and will not be used for any other purpose or disclosed to any other person unless required by law to do so or authorised to do so by the person to whom the personal information relates.
- 6.2.8 All hardship applications shall be determined by delegated Council Officers.
- 6.2.9 All hardship applicants shall be advised in writing of Council’s decision within 30 days of receipt of the application.
- 6.2.10 If the applicant is not satisfied with the outcome, they may write to Council and appeal the decision. The review will be conducted by the CFO or Program General Manager.
- 6.2.11 If, after the outcome of the review, the applicant is not satisfied with the process, they may write to the elected Council for a final decision.

### 6.3 Periodic Payment Agreements

- 6.3.1 Section 564 of the Local Government Act provides that Council may enter into a formal agreement with a ratepayer eligible for alternative periodic payments for due and payable rates and charges. A periodic payment agreement will be offered in accordance with Council’s Debt Recovery Policy.
- 6.3.2 In addition to the Debt Recovery Policy provisions for Suitable Payment Arrangements, the following additional considerations can be applied for hardship relief.
- a) Interest on outstanding amounts may be suspended for any period a periodic payment arrangement is in place and the ratepayer meets the agreed scheduled payments.
  - b) Maximum term can be extended up to 24 months.
  - c) Where repayment amounts will not pay the debt within 12 months, repayment schedules will be reviewed at the end of each 3-month period and upon the raising of further rates and charges for discussion with the ratepayer.

## 6.4 Hardship Assistance by Writing Off Accrued Interest and Costs

6.4.1 Council may write off accrued interest and costs on rates or charges payable by a person under Section 567 of the Act or charge 0% interest on overdue amounts for a set period of time where:

- a) The person was unable to pay the rates or charges when they become due for reasons beyond the person's control; or
- b) The person is unable to pay accrued interest for reasons beyond the person's control; or
- c) Payment of the accrued interest would cause the person hardship.

6.4.2 The following circumstances will be taken into consideration in addition to the hardship assessment before any decision to write-off interest and costs:

- a) The ratepayer is a first-time defaulter, has previously had a good payment record and there are mitigating circumstances.
- b) The ratepayer has met their obligations under any periodic payment agreement with Council.
- c) Council is satisfied that the circumstances giving rise to the default are temporary.
- d) Alternatives to recover the entire debt are unavailable.

## 6.5 Hardship Assistance due to Certain Valuation Changes

6.5.1 Under section 601 of the Act, any ratepayer who incurs a rate increase following a new valuation of land values may apply to Council for rate relief in the first year the valuation is used for rating purposes, if the new rate payable causes the ratepayer to suffer substantial hardship.

6.5.2 Council will not consider hardship applications under this provision as valuations are determined independently by the NSW Valuer-General. Council will encourage ratepayers to make an appropriate application under the appeal provisions of the Valuation of Land Act.

6.5.3 Council has maximised its scope under the Act to adopt a rating structure that cushions the impact of any change in valuations on rates.

## 6.6 Extend Pensioner Concession to avoid Hardship

6.6.1 Section 577 of the Local Government Act, 1993 enables Council to make an order deeming certain persons who are jointly liable with an eligible pensioner or solely liable, but who are not themselves eligible, to be eligible pensioners for the purpose of a mandatory reduction in rates and charges to avoid hardship.

6.6.2 Section 582 of the Local Government Act, 1993 enables Council to waive or reduce rates, charges and accrued interest due by any person prescribed by the regulations who is in receipt of a pension, benefit or allowance under the Social Security Act 1991. Thus, council may, in its absolute discretion, further reduce on a voluntary basis (with no subsidy from the state government) rates and charges otherwise payable by an eligible pensioner.

6.6.3 Council may agree to allow the remainder of a pensioners rates, after concessions have been deducted, to accrue against the future estate or sale of the land in appropriate cases.

## 6.7 Hardship Assistance for Postponed Rates

6.7.1 A rateable person may apply for postponed rates [section 585].

6.7.2 Interest on postponed rates accrues as if the rates were overdue rates [section 592].

- 6.7.3 If 5 years have elapsed since the commencement of a rating year for which part of the rates levied on land have been postponed, the part postponed and any interest accrued on that part may be written off by the council [section 595].
- 6.7.4 Only ratepayers who are owner occupiers who would face hardship will be eligible to apply for postponed rates to be written off in accordance with section 6.7.3 of this policy.
- 6.7.5 Any application for hardship assistance in relation to postponed rates will be assessed in accordance with the same criteria used to assess hardship assistance in respect of rates and annual charges.

## 6.8 Drought, Bushfire and Pandemic Hardship

- 6.8.1 Clause 6.8 applies for any period the QPRC Local Government Area (LGA) remains:
  - a) drought declared or
  - b) bushfire impacted (including the bushfire recovery period) or
  - c) economically locked down as a consequence of a pandemic, as nominated by a government order or declaration.
- 6.8.2 A ratepayer may be eligible for extended hardship assistance arrangements for the payment of rates, annual charges, interest, as follows:
  - a) A maximum period for approved payments arrangements extended to 2 years.
  - b) Interest charges to be waived on all approved payment arrangements.
  - c) Recovery action to be deferred upon application.
- 6.8.3 Drought Assistance specifically applies to:
  - a) Farmland ratepayers owning a parcel of land which is liable for the payment of South East Local Land Services rates.
  - b) Business ratepayers that directly supply the agriculture sector in the LGA.
- 6.8.4 Bushfire Assistance specifically applies to:
  - a) Ratepayers owning any parcel of land in the LGA listed on the Bushfire Impact Assessment schedule.
  - b) Business ratepayers that rely directly on visitor trade traversing the Kings Highway.
  - c) Waste disposal fees will be waived for waste transfer stations in the LGA for general building waste not being contaminated with any form of asbestos matter and where the costs are not otherwise recoverable by the owner through insurance or external funding sources.
  - d) Development Application and/or inspection fees will be subsidised for rebuilding of destroyed homes, structures and infrastructure.
- 6.8.5 Pandemic Assistance specifically applies to:
  - a) Residential ratepayers whose employment ceased as a consequence of the pandemic crisis and who are eligible for Disaster payments or any other form of Government assistance.
  - b) Business ratepayers whose business closed, or income has substantially decreased as a consequence of Government Orders during the pandemic crisis.
  - c) Property owners who provide rent deferral or reduced rental arrangements, or whose rental income has been substantially affected from a business tenant as a consequence of Government Orders during the pandemic crisis.
  - d) Community facility hire fees (ongoing bookings) will be waived for not for profit community organisations and section 355 committees during periods of government pandemic lockdown.
  - e) Ground hire, sports field lighting and QPRC sports facility hire fees will be waived for all not for profit local community sporting clubs with season bookings

for any sport season where government lockdown orders have reduced the available season by 25% or more.

- a) Rents may be waived, reduced, or deferred for commercial and community operators leasing Council property who can demonstrate financial distress due to the pandemic, in line with Commonwealth/State Government Orders.
- b) Footpath hire and related fees may be waived for businesses.
- c) Subsidies may be provided for Council-initiated online training, marketing and other support programs to local business.

## 6.9 Financial Assistance due to Undetectable Water Leaks

6.9.1 Notwithstanding the property owner's responsibility for all water infrastructure and water usage at their property, Council may assist by applying a rebate to ratepayers where an undetectable leak has resulted in significant increase in water use.

6.9.2 Council may rebate water usage charges up to 1,000 kilolitres of water, subject to the following conditions:

- a) A rebate shall not be granted where assistance of this kind has been granted in the previous 5 years.
- b) Water usage that is a result of negligence or misuse is not eligible for financial assistance.
- c) The application must be in writing and/or emailed to [council@qprc.nsw.gov.au](mailto:council@qprc.nsw.gov.au)
- d) The applicant must be the person liable for the water use charge for the property or authorised agent of the premise for which the application applies.
- e) The property to which the application applies must be categorised as residential for rating purposes and be separately metered.
- f) The application must be received by Council within 30 days of the owner/agent becoming aware of the leak, or within 30 days of the date of a letter issued by Council to the owner advising of the higher than normal water use, or the issue of the water usage account, whichever comes first.
- g) The application must provide evidence confirming that immediate and effective action was taken to rectify the water leak as soon as was reasonably possible.
- h) The application must be accompanied with an invoice or account from a licenced plumber stating the location of the leak, repairs that were necessary and a statement that the internal plumbing system has been tested at a minimum test pressure of 800KPa.
- i) The leak must have been significant. A leak is determined to be significant if the water usage for the period is greater than 50 kilolitres and is at least 1.5 times greater than the average water usage at the property calculated over the previous 3 years, provided the applicant has owned the property for all of that time.
- j) The leak must not be a result of plumbing not in accordance with Australian standard Plumbing and Drainage 3500.
- k) If no suitable water usage data is available, properties estimated to have similar usage may be used to determine an average water use.
- l) The rebate will be calculated by multiplying the number of days in the billing period that the leak was evident by the average daily usage. Any rebate will be applied as a credit on the water usage account.
- m) The applicant will be advised in writing of the outcome of the application.

## 6.10 Water allowance for Haemodialysis and other medical conditions

- 6.10.1 The allowance will apply to home haemodialysis patients whose premises are connected to the QPRC water network.
- 6.10.2 Claims for other medical conditions will require a declaration from the Area Health Service as to the extent of water usage required for the therapy of any such medical condition.
- 6.10.3 At the end of each financial year the Area Health Service will be asked to supply Council with a list of all home haemodialysis patients in the council area and their principal place of residence.
- 6.10.4 The allowance will be equivalent to 10 kilolitres of the water used in any billing period, as recorded by the water meter connected to the premise. This allowance is above the amount of the estimated volume of water utilised by a dialysis machine for the average haemodialysis patient, as supplied by the Area Health Service, being 25 kilolitres per annum.
- 6.10.5 The allowance will commence in the water billing period in which Council is notified of the haemodialysis machine being installed at the premise.
- 6.10.6 The allowance will cease in the water billing period following notification of the machine no longer being in use by the nominated patient, or the sale of the property.

## 6.11 Emergency pet boarding at the animal management facility

- 6.11.1 Council will consider applications for special circumstance boarding to assist residents who are experiencing hardship due to, but not limited to, the following situations:
  - a) Short-term homelessness
  - b) Domestic violence
  - c) Victim of crime
  - d) Hospitalisation.
- 6.11.2 The number of occasions an individual can access special circumstances boarding per year, and the length of time the animal is housed at the Facility, will be determined at the discretion of Council.
- 6.11.3 A reduced per-day fee will be applied for special circumstances boarding applications to cover the cost of food and direct costs.
- 6.11.4 An animal considered for special circumstances must be vaccinated. If the animal is not vaccinated, the owner will be charged for vaccination.

## 7 REVIEW

- 7.1 This policy will be reviewed every four years or earlier as necessary if:
  - a) legislation requires it, or
  - b) Council's functions, structure or activities change